

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**STATEMENT BY THE MANAGEMENT COMMITTEE MEMBERS  
AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**Registered Office**

605B Macpherson Road #08-16/17  
Citimac Industrial Complex Block B  
Singapore 368241

**Auditors**

Kreston David Yeung PAC

**Banker**

Malayan Banking Berhad

CONTENTS

	PAGE
STATEMENT BY THE MANAGEMENT COMMITTEE MEMBERS	1
INDEPENDENT AUDITOR'S REPORT	2 - 4
STATEMENT OF FINANCIAL POSITION	5
INCOME AND EXPENDITURE STATEMENT	6 - 7
STATEMENT OF COMPREHENSIVE INCOME	8
STATEMENT OF CHANGES IN ACCUMULATED FUND	9
STATEMENT OF CASH FLOWS	10
NOTES TO THE FINANCIAL STATEMENTS	11 - 19

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**MANAGEMENT COMMITTEE**

<b>MR LIM POH SOON PHILIP</b>	<b>PRESIDENT (Appointed on 17 Apr 2017)</b>
<b>MR REV DARREN LIM SOO KUAN</b>	<b>VICE PRESIDENT (Appointed on 17 Apr 2017)</b>
<b>MR HO TONG MENG LEMUEL</b>	<b>VICE PRESIDENT (Appointed on 17 Apr 2017)</b>
<b>PST CHNG KENG WAH FREDDY</b>	<b>HONORARY SECRETARY (Appointed on 17 Apr 2017)</b>
<b>MR MICHAEL LIU CHIN WOON</b>	<b>HONORARY TREASURER (Appointed on 17 Apr 2017)</b>
<b>MR LIM SIANG KWEE CHARLES</b>	<b>COMMITTEE MEMBER (Appointed on 17 Apr 2017)</b>
<b>MS ELEANOR WONG PUI SIM</b>	<b>COMMITTEE MEMBER (Appointed on 17 Apr 2017)</b>
<b>MR TERRENCE TEO BOON TECK</b>	<b>COMMITTEE MEMBER (Appointed on 8 May 2017)</b>
<b>MR WONG AH KUM ROGER</b>	<b>COMMITTEE MEMBER (Appointed on 8 May 2017)</b>
<b>MR SEE TECK JEN YURI MICHAEL</b>	<b>COMMITTEE MEMBER (Appointed on 6 Nov 2017)</b>

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**STATEMENT BY THE MANAGEMENT COMMITTEE MEMBERS**

In the opinion of Management Committee Members:-

- i) the accompanying statement of financial position, income and expenditure statement, statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows, together with the notes thereto, are drawn up in accordance with the provisions of the Societies Act, Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Society as at 31 December 2017 and the financial performance, changes in accumulated fund and cash flows of the Society for the financial year ended on that date; and
- ii) at the date of this statement there are reasonable grounds to believe that the Society will be able to pay its debts and when they fall due.

On behalf of the Management Committee Members,

---

LIM POH SOON PHILIP  
President

---

CHNG KENG WAH FREDDY  
Honorary Secretary

---

MICHAEL LIU CHIN WOON  
Honorary Treasurer

Singapore,



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN COUNSELLING SERVICES (UEN: T12SS0078B)**

### **Report on the Audit of the Financial Statements**

#### *Opinion*

We have audited the financial statements of Christian Counselling Services (the "Society"), which comprise the statement of financial position of the Society as at 31 December 2017, the income and expenditure statement, statement of comprehensive income, statement of changes in accumulated fund and statement of cash flows of the Society for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the Societies Act), the Charities Act, Chapter 37 and other relevant regulations (the Charities Act and Regulations) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Society as at 31 December 2017 and the results, changes in accumulated fund and cash flows of the Society for the year ended on that date.

#### *Basis for Opinion*

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other Information*

Management is responsible for the other information. The other information comprises the information included in the Statement By The Management Committee Members.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN COUNSELLING SERVICES (UEN: T12SS0078B) (Continued)**

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Societies Act, the Charities Act and Regulations and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whatever due to fraud and error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

The Management Committee Members are responsible for overseeing the Society's reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements.*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTIAN COUNSELLING SERVICES (UEN: T12SS0078B) (Continued)**

### *Auditor's Responsibilities for the Audit of the Financial Statements (Continued)*

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Management Committee Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required to be kept by the Society have been properly kept in accordance with the provisions of the Societies Regulations enacted under the Societies Act, the Charities Act and Regulations.

**KRESTON DAVID YEUNG PAC**  
**Public Accountants and**  
**Chartered Accountants**

Singapore,

**KRESTON DAVID YEUNG PAC** (UEN: 200717891W)

A public accounting corporation incorporated with limited liability and a member of **Kreston International**  
128A Tanjong Pagar Road, Singapore 088535  
Tel: 6223 7979 Fax: 6222 7979

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**STATEMENT OF FINANCIAL POSITION  
As at 31 December 2017**

	Note	2017 S\$	2016 S\$
<b>ASSETS</b>			
<b>Current assets</b>			
Prepayment		4,922	5,076
Cash and cash equivalents	3	<u>252,264</u>	<u>288,879</u>
<b>Total assets</b>		<u>257,186</u>	<u>293,955</u>
 <b>FUND AND LIABILITIES</b>			
<b>Fund</b>			
<b>Unrestricted Fund</b>			
Accumulated fund		<u>253,530</u>	<u>290,138</u>
<b>Current liabilities</b>			
Accruals		3,656	3,109
Deferred interest income		<u>-</u>	<u>708</u>
<b>Total liabilities</b>		<u>3,656</u>	<u>3,817</u>
<b>Total fund and liabilities</b>		<u>257,186</u>	<u>293,955</u>

The notes set out on pages 11 to 19 form an integral part of and should be read in conjunction with this set of financial statements.



<b>CHRISTIAN COUNSELLING SERVICES</b>			
<b>(UEN: T12SS0078B)</b>			
<b>INCOME AND EXPENDITURE STATEMENT</b>			
<b>For the year ended 31 December 2017</b>			
		2017	2016
	Note	S\$	S\$
<b>Income</b>			
Activities income		5,221	3,435
Donation received : Non tax-deductible donation		42,025	31,930
Interest income		2,073	3,524
Other income	4	3,386	12,312
<b>Total income</b>		<b>52,705</b>	<b>51,201</b>
<b>Less: Total expenditure (Page 7)</b>		<b>(89,313)</b>	<b>(85,688)</b>
<b>Deficit before taxation</b>		<b>(36,608)</b>	<b>(34,487)</b>
<b>Less: Taxation</b>	5	<b>-</b>	<b>-</b>
<b>Net deficit for the year</b>		<b>(36,608)</b>	<b>(34,487)</b>

The notes set out on pages 11 to 19 form an integral part of and should be read in conjunction with this set of financial statements.

**CHRISTIAN COUNSELLING SERVICES**  
**(UEN: T12SS0078B)**

**INCOME AND EXPENDITURE STATEMENT**  
**For the year ended 31 December 2017**

	2017	2016
	S\$	S\$
<b>Expenditure</b>		
Auditors' remuneration	1,500	1,500
Bank charges	60	20
CPF and SDL	3,587	3,353
Fellowship activities	10,267	11,453
Fellowship expenses	2,072	897
General expenses	945	346
Incare project expenses	6,163	5,826
Insurance	544	535
Love gift	600	600
Postage	42	57
Printing and stationery	2,696	2,066
Publicity and Publication	2,401	2,795
Refreshment	92	99
Rental expenses	16,200	16,200
Salaries and bonuses	39,000	36,400
Subscription fee	200	100
Telephone charges	2,438	2,395
Training and conferences	506	1,046
<b>Total expenditure (Page 6)</b>	<b>89,313</b>	<b>85,688</b>

The notes set out on pages 11 to 19 form an integral part of and should be read in conjunction with this set of financial statements.

**CHRISTIAN COUNSELLING SERVICES**  
**(UEN: T12SS0078B)**

**STATEMENT OF COMPREHENSIVE INCOME**  
**For the year ended 31 December 2017**

	2017	2016
	S\$	S\$
Net deficit for the year	(36,608)	(34,487)
Other comprehensive income	<u>-</u>	<u>-</u>
Total comprehensive loss for the year	<u>(36,608)</u>	<u>(34,487)</u>

The notes set out on pages 11 to 19 form an integral part of and should be read in conjunction with this set of financial statements.

**CHRISTIAN COUNSELLING SERVICES**  
**(UEN: T12SS0078B)**

**STATEMENT OF CHANGES IN ACCUMULATED FUND**  
**For the year ended 31 December 2017**

	Accumulated fund S\$
Balance as at 01.01.2016	324,625
Total comprehensive loss for the year	<u>(34,487)</u>
Balance as at 31.12.2016/01.01.2017	290,138
Total comprehensive loss for the year	<u>(36,608)</u>
Balance as at 31.12.2017	<u>253,530</u>

The notes set out on pages 11 to 19 form an integral part of and should be read in conjunction with this set of financial statements.

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**STATEMENT OF CASH FLOWS  
For the year ended 31 December 2017**

	2017	2016
	S\$	S\$
<b>Cash flows from operating activities</b>		
Net deficit for the year	(36,608)	(34,487)
Adjustment for:-		
Interest income	<u>(2,073)</u>	<u>(3,524)</u>
<b>Operating (deficit)/surplus before working capital changes</b>	(38,680)	(38,011)
Changes in working capital: -		
(Decrease)/Increase in prepayment	154	(2,629)
Increase/(Decrease) in accruals	<u>547</u>	<u>(25)</u>
<b>Net cash used in operating activities</b>	<u>(37,980)</u>	<u>(40,665)</u>
<b>Cash flows from investing activity</b>		
Interest received	<u>1,365</u>	<u>4,232</u>
<b>Net cash generated from investing activity</b>	<u>1,365</u>	<u>4,232</u>
<b>Net decrease in cash and cash equivalents</b>	(36,615)	(36,433)
<b>Cash and cash equivalents at beginning of year</b>	<u>288,879</u>	<u>325,312</u>
<b>Cash and cash equivalents at end of year (Note 3)</b>	<u>252,264</u>	<u>288,879</u>

The notes set out on pages 11 to 19 form an integral part of and should be read in conjunction with this set of financial statements.

**CHRISTIAN COUNSELLING SERVICES**  
**(UEN: T12SS0078B)**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017**

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

**1. GENERAL**

Christian Counselling Services (the “Society”) was registered in the Republic of Singapore under Societies Act and Charities Act.

The principal activities of the Society are:-

- a) to assist in the rehabilitation of prisoners and ex-prisoners and their reintegration into the society, based on Christian principles;
- b) to train Christian Volunteer Counsellors so as to attain a holistic approach towards the rehabilitation process;
- c) to help ex-prisoners and drug abusers with job placement and skills development in order to help them become contributing citizens of Singapore;
- d) to provide preventive education and/or Biblical counselling in governmental or non-governmental institutions and to the public in general;
- e) to work closely (and in tandem) with any related bodies to combat chronic social problems e.g. the drug abuse problem of the nation and in the region.

The Society shall not engage in any activities that may undermine the racial, political or religious harmony in Singapore.

The registered office and principal place of operation of the Society is located at 605B Macpherson Road #08-16/17, Citimac Industrial Complex Block B, Singapore 368241.

The financial statements of the Society for the year ended 31 December 2017 are authorised for issue by Management Committee Members on

**2. SIGNIFICANT ACCOUNTING POLICIES**

a) **Basis of Preparation**

The financial statements of the Society have been prepared in accordance with the historical cost convention, except as disclosed in the accounting policies below, and are drawn up in accordance with the Singapore Financial Reporting Standards (“FRS”).

In the current financial year, the Society has adopted all the new and revised FRS and Interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for annual period beginning on or after 1 January 2017. The adoption of these new/revised FRSs and INT FRSs have no material effect on the financial statements.

**CHRISTIAN COUNSELLING SERVICES**  
**(UEN: T12SS0078B)**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b) Significant Accounting Estimates and Judgements**

The preparation of the financial statements in conformity with FRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions, the management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements.

**c) Foreign Currencies**

Functional and presentation currency

Items included in the financial statements of the Society are measured using the currency of the primary economic environment in which the Society operates ("functional currency"). The financial statements of the Society are presented in Singapore dollar, which is the Society's functional currency.

Transactions and balances

Transactions in foreign currencies are measured and recorded in Singapore dollar at the exchange rate in effect at the date of transactions. At end of each reporting period, recorded foreign currency monetary items are adjusted to reflect the rate at the end of reporting period. All realised and unrealised differences are taken to the income and expenditure statement.

**d) Financial Assets**

*Initial recognition and measurement*

Financial assets are recognised on the statement of financial position when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

*Subsequent measurement*

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in income and expenditure statement when the loans and receivables are derecognised or impaired, and through the amortisation process.

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d) Financial Assets (Continued)**

*Recognition and Derecognition*

All financial assets are recognised on their trade-date - the date on which the Society commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Society has transferred substantially all risks and rewards of ownership.

**e) Impairment of Financial Assets**

The Society assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Society first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Society determines that no objective evidence of impairment exists for an individually assessed financial assets, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in income and expenditure statement.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Society considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.



**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e) Impairment of Financial Assets (Continued)**

Financial assets carried at amortised cost (Continued)

If in a subsequent period, the amount of the impairment loss decreased and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in income and expenditure statement.

**f) Cash and Cash Equivalents**

Cash and cash equivalents are defined as cash in hand and at bank and fixed deposits which form part of cash management that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

**g) Financial Liabilities**

*Initial recognition and measurement*

Financial liabilities are recognised on the statement of financial position when, and only when, the Society becomes a party to the contractual provisions of the financial instrument. The Society determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, directly attributable transaction costs.

*Subsequent measurement*

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in income and expenditure statement when the liabilities are derecognised, and through the amortisation process.

*Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in income and expenditure statement.

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**h) Income Recognition**

Income is recognised to the extent that it is probable that the economic benefits will flow to the Society and the income can be reliably measured. Income is measured at the fair value of consideration received or receivable.

Cash donations are recognised as income as and when received.

Interest income is recognised using the effective interest method.

Donation in kind received which are donated to the Society are recorded at their market values.

**i) Provisions**

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

**j) Contingencies**

A contingent liability is:-

A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society; or

A present obligation that arises from past events but is not recognised because:

i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Society.

Contingent liabilities and assets are not recognised on the statement of financial position of the Society.

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017**

**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**k) Key Management Personnel**

Key management personnel of the Society are those having authority and responsibility for planning, directing and controlling the activities of the Society. Management Committee Members are considered as key management personnel.

**l) Employee Benefits**

*Defined contribution plans*

As required by law, the Society makes contributions to the state pension scheme, the Central Provident Fund (CPF). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contribution.

*Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to the employees. Accruals are made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

**m) Government Grants**

Government grant is recognised when there is reasonable assurance that the conditions attaching to it will be complied with and the grant will be received.

**n) Operating Leases**

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as expenses in the income and expenditure statement on a straight-line basis over the lease terms.

**3. CASH AND CASH EQUIVALENTS**

	2017	2016
	S\$	S\$
Cash and cash equivalents comprise:-		
Fixed deposits	180,000	221,000
Cash at bank	72,135	67,638
Cash in hand	129	241
	<u>252,264</u>	<u>288,879</u>

The fixed deposits earned interests at rates ranging from 1.1% to 1.9% (2016: 1.45% to 1.9%) per annum.

The Society has received advance interest income of S\$Nil (2016: S\$708) during the year.

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017**

**4. OTHER INCOME**

	2017	2016
	S\$	S\$
431		
Special employment credit	1,820	2,313
Wage Credit Scheme	1,488	9,568
Temporary Employment Credit	78	431
	<u>3,386</u>	<u>12,312</u>

**5. INCOME TAX**

The Society has been registered as a charity under the Charities Act with effect from 12 June 2014 and income received from 13 June 2014 is exempted from income tax under the provisions of the Income Tax Act, Cap. 134.

At the end of the reporting period, the Society has unutilised tax losses of S\$1,080 arose from result before 13 June 2014.

**6. OPERATING LEASE COMMITMENTS**

Rental expenses (principally for office) were S\$16,200 and S\$16,200 for the year ended 31 December 2017 and 2016 respectively. The lease does not include contingent rentals. Future minimum rentals are as follows as of 31 December:-

	2017	2016
	S\$	S\$
Amount payable:-		
Within one year	<u>-</u>	<u>16,200</u>

**7. FINANCIAL RISK MANAGEMENT**

The Society is exposed to credit risk, interest rate risk, liquidity risk and foreign currency risk which arise in the normal course of its operations. The Society does not have written risk management policies and guidelines. The Society does not hold or issue derivative financial instruments.

**Credit Risk**

The Society has no significant concentrations of credit risk. Cash is placed with established financial institutions. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

**Interest Rate Risk**

The Society has no significant exposure to interest rate risk. As such, fluctuations in market interest rate do not have any significant effect on the Society's cash flows.

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017**

**7. FINANCIAL RISK MANAGEMENT (Continued)**

**Liquidity Risk**

The Society monitors and maintains a level of cash and cash equivalents deemed adequate to meet its cash flow obligations.

The maturity profile of the Society's financial liabilities is within 12 months from the end of the reporting period.

**Foreign Currency Risk**

The Society is not exposed to foreign currency risk as all its transactions are denominated in Singapore dollar.

**8. CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES**

The following table sets out the financial assets and liabilities at the end of the reporting period:-

	2017 S\$	2016 S\$
<u>Financial assets</u>		
Loans and receivables: -		
Cash and cash equivalents	252,264	288,879
Total financial assets	252,264	288,879
<u>Financial liabilities</u>		
At amortised cost:-		
Accruals	3,656	3,109
Total financial liabilities	3,656	3,109

**9. RESERVE POLICY**

	2017 S\$	2016 S\$	% Increase / (Decrease)
Unrestricted fund (*Reserves)	253,530	290,138	
Ratio of *Reserves to Annual Operating Expenditure	2.84:1	3.38:1	(15%)

The reserves have been set aside by Management Committee to provide financial stability and the means for the development of its principal activities. These reserves will be critical when donations dry up or the economy is at a downturn.

The Management Committee regularly reviews the amounts of reserves that are required to ensure that they are able to fulfill their continuing obligations.

**CHRISTIAN COUNSELLING SERVICES  
(UEN: T12SS0078B)**

**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2017**

**10. FAIR VALUES**

The carrying amounts of the Society's financial assets and financial liabilities are recorded in the financial statements at their approximate fair values, determined in accordance with the accounting policies disclosed in Note 2 to the financial statements.

**11. NEW OR REVISED ACCOUNTING STANDARDS AND INTERPRETATIONS**

Certain new accounting standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2018. The Society does not expect that the adoption of these accounting standards or interpretations will have a material impact on the Society's financial statements.